

April 1, 2009

2009-2011 House Capital Budget **Maintain. Protect. Preserve.**



Protecting the historic investments we've already made

House Capital Budget Highlights



Cash for the Operating Budget

In recent years, the state's Capital Budget has invested in the construction of new buildings and facilities across the state, particularly for K-12 public schools and higher education. This year, the situation is very different. \$780 million in cash from the Capital Budget is being transferred to the Operating Budget for the 2009-2011 biennium in order to help close an unprecedented shortfall in the latter.

The House Capital Budget proposal differs from the Governor's proposal by a little over \$840 million without factoring in federal recovery dollars. The difference can be attributed to the revised March revenue forecast, which reflected declining revenue from timber sales on state lands. The timber sales fund our public school construction.

Taking care of what we've built

The state's budget shortfall coupled with the overall downturn in the economy means we must "make do" instead of building new. While we don't have the funds this year for expensive new building projects, we will use our resources to fix and preserve the structures we're already using. Approximately one-quarter of the budget is devoted to maintaining, protecting, and preserving state assets.

- We'll keep money in local communities across the state as we contract with plumbers, electricians, roofers and others to perform maintenance and repair on our public buildings.
- These types of smaller projects are usually performed by local or regional contractors.
- \$678 million in funding for emergency repairs to protect people and assets.

Federal Recovery Dollars

The 2009-2011 House Capital Budget assumes federal recovery money to assist with energy efficiency, conservation, habitat preservation and environmental protection projects.

- \$60.7 million for weatherization.
- \$60 million for Habitat Restoration Grants.
- \$29 million for rural water and waste disposal.
- \$68.7 million for the Water Pollution Control Revolving Fund Program.

Maintaining our competitive grant programs

The 2009-2011 proposed House Capital Budget keeps funding for competitive grant programs. These funds are used for projects found in every corner of the state.

- \$32.3 million for Building Communities Fund Grants.

- \$7.5 million for Youth Recreational Facilities Grants.
- \$10 million for Washington Heritage Project Capital Grants.
- \$12 million for Building for the Arts.

K-12 Construction

One of the priorities of the 2009-2011 House Capital Budget is funding for school construction projects, including continued funding of the matching grant program. Students learn best when their school facilities are adequate and in good repair. Even in lean budget years, the health and safety of our children will not be compromised.

- \$827 million for the K-12 school construction assistance grant program (of which \$584.8 million are bonds).
- \$20 million for the Health and Safety Grant program.
- \$2 million for the Small Repair Grant Program.

Higher Education

Many of Washington's public buildings can be found on the campuses of our colleges and universities. Growth in enrollments led to the need for new facilities on campuses across the state; now it's time to preserve those and other structures while we wait for the economy to turn around.

- \$303 million is provided specifically for preservation and minor works projects for higher education facilities.

Housing Trust Fund

The Housing Trust Fund provides loans and grants for construction, acquisition and rehabilitation of low-income housing. Types of projects funded by this program include assisted living facilities, emergency shelters, group homes, transitional housing and farmworker housing. Tough economic times make these types of facilities even more important.

- \$110 million for the Housing Trust Fund.
- \$144 million in federal recovery dollars, a significant amount of which will go to the Housing Finance Commission and housing authorities.

Washington Wildlife Recreation Program

We made a historic \$100 million investment in WWRP in the last biennium, a 50% increase from the previous biennium. Although we can't make the same investment this time around, we still provide \$30 million more funding than during the 2005-2007 biennium.

- \$80 million is provided for habitat, outdoor recreation, riparian protection, and farmland preservation projects.